

1 RECORD OF ORAL HEARING
2
3 UNITED STATES PATENT AND TRADEMARK OFFICE
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6 BEFORE THE BOARD OF PATENT APPEALS
7 AND INTERFERENCES
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10 Ex parte BARRY BARTON, VICKI DOUGHERTY,
11 and JOHN FORST
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14 Appeal 2007-1713
15 Application 09/391,460
16 Technology Center 3600
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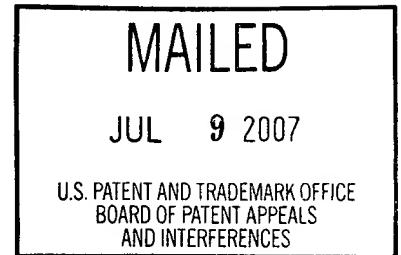
19 Oral Hearing Held: June 6, 2007
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23 Before HUBERT LORIN, ANTON FETTING, and LINDA HORNER
24 Administrative Patent Judges
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27 ON BEHALF OF THE APPELLANT:
28

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34 The above-entitled matter came to be heard on June 6, 2007,
35 commencing at approximately 10:05 a.m., at the United States Patent and
36 Trademark Office, 600 Dulany Street, Alexandria, Virginia.



1 JUDGE LORIN: Good morning, Counsel.

2 MR. MINER: Good morning, Your Honor.

3 JUDGE LORIN: Mr. Miner, before we begin, I'd like to introduce
4 two interns from the board, Adam Swain and Joe Arand. They'll be here
5 during the proceeding.

6 MR. MINER: Very good.

7 JUDGE LORIN: We are familiar with the case, Counsel. You may
8 get to the dispositive issues. You have 20 minutes, and you may proceed.

9 MR. MINER: Very good. Thank you.

10 My name is James Miner. I'm here representing J.P. Morgan Chase
11 and Company. I very much thank you for talking to us today. You indicated
12 you are familiar with the case. Maybe just to comment briefly on the case.

13 The application is directed to a financial advice strategy system,
14 basically a computer generating advice regarding payment strategies. There
15 are 15 claims in the application. All these claims are rejected under 103, the
16 teachings of Bachman and in view of Spirer.

17 Claim one, maybe to touch upon initially. Claim one is directed to a
18 system providing negotiation advice to a customer service representative, so
19 a customer service representative is the individual in accordance with this
20 claim that would be using the system.

21 You have a computer system, two user interfaces. First graphical user
22 interface. I may just call them interfaces for purposes of today. You have a

1 first interface. You have a second interface. In the first interface, you have
2 descriptive icons. These are representative of financial situations.

3 In the second interface, you have a display based on the selection in
4 the first interface. The display in the second interface provides one or more
5 questions that are based on the particular icon that you selected in the first
6 interface. Then you have a processor. That processor generates negotiation
7 advice in response to the selection of answers in the second interface. The
8 advice is related to alternative payment options.

9 In summary, I think the office action, the examiner fails to present a
10 prima facie case of obviousness. Basically I think that it would not have
11 been obvious to combine these two references, Bachman and Spirer, and
12 two, even if you did combine them, I don't think it results in the combination
13 in the claimed invention.

14 Relatively is the, I think, interesting use of the third and fourth
15 references that the examiner sets out, the Tallman and Boguraev reference,
16 which I'm sure we'll get to, but I'm not exactly sure if those are indeed
17 implied in the 103. I would say they are not actually used in the 103
18 rejection because they are not set forth in the beginning preamble rejection.

19 Maybe to just initially touch upon the teachings of the two references
20 --

21 JUDGE HORNER: If you could, could you start with the Spirer
22 reference?

1 MR. MINER: Certainly. Certainly.

2 Spirer is basically a three-page article. It talks to strategy. It doesn't
3 go into implementation. It doesn't go into the computer implementation of
4 the strategies. Basically they deal with somewhat of a new idea that look,
5 you have people that are delinquent on their account. It recognizes the fact
6 that people that are delinquent on their account, you should appreciate the
7 situation that surrounds those people and address them accordingly, i.e.
8 differently for different people, people who are repeatedly 10 days late on
9 their account, then you should treat them differently than a person who, you
10 can see from the financial account records that they simply don't pay.

11 The person that is 10 days late, you should maybe just adjust their
12 payment due date versus sending out a harsh letter. On the other hand, the
13 people that you can see from their history that they simply don't pay, you
14 should take a very harsh stand to them. Basically I think that's very much
15 the gist of Spirer.

16 JUDGE HORNER: If you could turn to the table that was at the end
17 of the Spirer reference.

18 MR. MINER: Certainly. The blown-up?

19 JUDGE HORNER: Right. It lists on the left-hand side scenarios and
20 on the right-hand side responses.

21 MR. MINER: That's right.

1 JUDGE HORNER: Would the scenarios be equivalent to the
2 categories of customers in that? For example, the scenario that's the fourth
3 listed talks about a traditionally good cardholder who's working through a
4 divorce settlement or an illness. Would that represent a category of a
5 particular customer in the same way that your first interface categorizes or
6 requires the customer service representative to categorize the customer?

7 MR. MINER: I think the question is, the first column, is that
8 reflective of categories? I think it would be reasonable to say that.

9 JUDGE HORNER: The second column is discussing the response,
10 and in that particular example, the response was consider offering a -- it's
11 hard to read this -- a reduced payment scheme for the time period and
12 potentially double your debt by offering to consolidate other debt to your
13 card. Would that be similar to the negotiation advice strategies for
14 negotiation advice?

15 MR. MINER: Yes, but I think it's interesting that there's a one-to-one
16 correspondence here versus there's in the claimed invention -- claim one, for
17 example -- there's very much a manipulation of data. I mean, you're
18 presented with a first interface, a second interface. You make the selection
19 in the first interface, then that generates the options in the second interface
20 versus here.

21 As far as the analogy between the chart here and the two clauses there
22 in claim one, I think what stands out is that here there's really not that

1 dynamic inter-relationship that's set out in the claimed invention. Actually,
2 just focusing on those two clauses, I think there is system features there.
3 There is manipulation of data and there's clear inter-relationship between
4 those manipulation of data, and you simply don't have that here, the category
5 in the first column to the left, and indeed you have the responses to the right.
6 But that simply doesn't teach the manipulation that's set out in claim one.

7 JUDGE HORNER: By manipulation what do you mean?

8 MR. MINER: Really focusing on the features of claim one are going
9 to the first graphical user interface, the first interface and the second
10 interface. You have clauses leading into that then you have spelled out in
11 the claim the first interface descriptive icons.

12 JUDGE HORNER: I agree that the Spirer reference doesn't have
13 descriptive icons, but what I was trying to get to was just the left-hand
14 column in that table described one or more financial situations similar to
15 what the descriptive icons in your claim would be representing, the way it's
16 described in your specification.

17 MR. MINER: I think it -- I mean, I think it's true that it does describe
18 a financial situation. To say that the cardholder who pays 10 days late every
19 month, is that a financial situation? I think it is a financial situation, but as
20 far as the rejection note that the examiner has set forth, it's deficient on
21 various levels I think.

1 The Bachman talks to dealing with a customer who is indeed in good
2 standing. They say look, these customers, they planned ahead, they've
3 entered into this program where if they get in trouble through divorce,
4 through loss of their job, then they can indeed activate this program, given
5 that their particular event satisfies criteria and they can have their payments
6 deferred.

7 I think Bachman very much talks to look, these are customers in good
8 standing; this is the game plan for these customers, versus Spirer, it's a three-
9 page article; it totally shifts gears as to Bachman. It talks to customers who
10 are delinquent. How do we deal with these customers? Behavioral sciences,
11 new thoughts coming out dictate that you should deal with these differently.

12 But what the examiner has done is they've first combined, modified
13 Bachman based on Spirer, then the examiner has basically verbatim taken
14 the clause of claim one, a second interface based on the selection of one of
15 the descriptive icons, basically the examiner has taken the language of the
16 second interface clause there and assumed that it's a known. I think that's set
17 out in the rejection.

18 At first the examiner admits that look, Bachman fails to disclose
19 negotiating, in short. Bachman doesn't relate to negotiating. Bachman
20 relates to you have entered into this program, we have a game plan here.
21 The question is whether your particular event triggers that program or not
22 versus what the examiner admits, okay, Bachman fails to disclose this

1 negotiating aspect; I'm going to modify Bachman by the Spirer negotiating
2 aspect.

3 Then interestingly, he says, okay, but neither one of these teaches the
4 first or second interfaces recited in claim one, so I want to first say that that
5 simply would have been known. Then he cites to the two references,
6 Tallman and Boguraev, and says that, you know, note these references, look
7 to these reference. Then technically speaking, when he gets to the actually it
8 would have been obvious to modify those, it would have been easy to
9 modify, even if you arguendo assume that it would have been so obvious, his
10 assertions don't track back into claim one.

11 Even if you take that as a given, you know, just assume arguendo, it
12 doesn't track back into claim one so as to teach each and every feature. I
13 think too there's a situation here that first you're modifying Bachman based
14 on Spirer, and then you're coming back and essentially modifying the Spirer
15 teaching based on, I guess, official notice. I'm not sure if it's really official
16 notice or indeed if the examiner is relying on Tallman and Boguraev. I
17 would think since the preamble really pretty clearly sets forth, I think it's
18 those two references that are being applied in the rejection. I think any way
19 you look at it, that adds some confusion to the rejection; is Tallman and
20 Boguraev being applied or aren't they being applied?

21 JUDGE HORNER: But let's go back to Spirer for a minute. Spirer
22 describes what I would characterize as negotiation advice that could be used

1 by a collections agent when they are speaking with or dealing with a debtor.
2 Would you agree that it's common in the art with customer service
3 representatives, they work from some sort of script?

4 MR. MINER: I think so, yes.

5 JUDGE HORNER: Or have some sort of instructions? These are not
6 always experienced people manning the phones, so they need some
7 guidance?

8 MR. MINER: Absolutely. As we all know, they certainly do.

9 JUDGE HORNER: I'm trying to pinpoint sort of what makes your
10 invention different from Spirer other than automating an interface for a
11 customer service representative to do what Spirer teaches?

12 MR. MINER: I think there's a couple of steps, couple thoughts,
13 hopefully in response to your thought. For one, the rejection that the
14 examiner set forth is a little bit different than what you're proposing, but
15 also, I don't think it's just purely automation of Spirer. Looking through
16 claim one, I think there's a true process flow, I mean a true manipulation of
17 data that doesn't simply flow naturally from Spirer. I think there's some
18 more there that simply doesn't flow from Spirer, and that's what we would
19 base the patentability on.

20 JUDGE HORNER: Can you give me an example of what you might
21 be looking at in claim one?

1 MR. MINER: For one, the graphical user interfaces. Spirer doesn't
2 talk to that and Bachman doesn't talk to that. The examiner is truly pulling
3 those out of what -- well, basically the examiner is quoting the second to last
4 clause of claim one and saying that that is known. I think that extends well
5 beyond what would be fair to say. In asserting that the second to last clause
6 of claim one is known, there should be really a reference establishing that.

7 Because it's like taking really a good half or third of the claim and just
8 saying that that is known. I think in response to your question, just the fact
9 that the interfaces aren't there is one note, either in Spirer or Bachman.

10 JUDGE FETTING: I'm sorry, are you suggesting that it's not
11 notoriously well-known to use a graphical user interface to do query and
12 response type of interaction with an operator?

13 MR. MINER: Not at all, but I think that's an important note as to the
14 degree of modification of the references. Point well taken. Certainly not at
15 all notoriously well-known. But I think it does, though, go to the degree of
16 modification of the references that first you're taking Spirer, you're taking
17 Bachman, you're rolling them into an interface, then in conjunction with that
18 you combine Spirer in Bachman. Then you assert the second to last clause
19 of claim one; that's all known.

20 By the way, you should look to Tallman and Boguraev for examples.
21 I think at a point it gets beyond what would have been fairly obvious, and I
22 think that's where we're coming from. It just goes beyond what was

1 obvious. To note, too, I think for one, the examiner at points in the rejection
2 refers to Bachman in the context of Bachman dealing with delinquent
3 accounts. Bachman doesn't deal with delinquent accounts.

4 I think that's a point to know because it makes Bachman appear closer
5 to the claim than they otherwise are. It makes Bachman appear closer to
6 Spirer than the teachings really are. Again, I think really the totality of what
7 is on the board, the totality of what the rejection is based on, it simply
8 extends beyond what is fair and obvious, and as a result, fails to present the
9 prima facie case.

10 JUDGE LORIN: I want to pick up on Judge Horner's question. Is
11 there more going on here than taking an interface and associating icons to
12 the categories of responses in Spirer?

13 MR. MINER: You mean taking as far as -- you're proposing taking
14 multiple --

15 JUDGE LORIN: Yes, graphical. Right.

16 MR. MINER: Taking the interface?

17 JUDGE LORIN: Interface with icons which
18 are --

19 MR. MINER: With icons.

20 JUDGE LORIN: Then associating an icon.

21 MR. MINER: With multiple --

1 JUDGE HORNER: I guess the question is, if I were a programmer
2 and I read Spirer and said, I'm going to automate this for customer service,
3 why wouldn't I end up with your invention?

4 MR. MINER: Okay.

5 JUDGE FETTING: Fairly put.

6 MR. MINER: For one, Spirer one on one -- I mean in the table, as
7 you pointed out, there's one scenario category, there's one response. If you
8 were to automate it, you wouldn't necessarily use the respective user
9 interfaces. We have a first interface. We have a second interface.

10 Really, the progression of the last three steps there, you're selecting
11 the interface. You selected a descriptive icon in the first interface based on
12 your particular financial situation. That generates the selections in the
13 second interface and as a result, the processor generates the negotiation
14 advice. The negotiation advice relates to the alternative payment options.

15 JUDGE HORNER: What Spirer seems to show is determining a
16 financial situation and then a processor may be generating the response, but
17 it doesn't have this middle step of the questions to find --

18 MR. MINER: That's true.

19 JUDGE HORNER: You're saying it's a one-to-one correlation,
20 whereas this has two steps of data gathering before you get to the processor?

21 MR. MINER: Right. Indeed, the question aspect of claim one is an
22 interim step that is not reflected in Spirer.

1 JUDGE LORIN: Okay, thank you, Counsel. It's been helpful.

2 MR. MINER: Thank you.

3 JUDGE LORIN: We'll take the case under advisement.

4 MR. MINER: Thank you very much.

5 Whereupon, at 10:25 a.m., the hearing was concluded.